



FPG Organization and Purpose

International Partners Day with Navy IPO

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Foreign Procurement Group

3 March 2004



What is the Foreign Procurement Group ?

- Customer focal point for DoD Foreign Military Sales re-engineering
- Provide customer response to DoD proposals for changes
- Propose changes to FMS to benefit the foreign customer community
- Liaise with MOU Attaché's Group on matters of mutual interest

FPG Member Nations

- **Argentina**
- **Australia**
- **Austria**
- **Belgium**
- **Brazil**
- **Canada**
- **Denmark**
- **France**
- **Germany**
- **Greece**
- **Italy**
- **Israel**
- **Japan**
- **Korea**
- **Kuwait**
- **Netherlands**
- **New Zealand**
- **Norway**
- **Spain**
- **Sweden**
- **Switzerland**
- **Taiwan**
- **Turkey**
- **United Kingdom**

Defense Security Cooperation Agency

Foreign Customer Outreach

- Changes in role and influence of DSCA post September 11
- Policy guidance by Deputy Secretary of Defense on customer involvement in LOA process (January, 2002); DFARS rule change (22 November 2002)
- DSCA's active invitation to participate in FMS reinvention and reengineering initiatives

DSCA Foreign Customer Outreach (cont'd)

- DSCA and other DoD officials are regular attendees at FPG meetings
- FPG representation at Security Cooperation Deputies' Forum: DSCA's performance measurement initiative
- Foreign customer perspective at FMS Case Reconciliation and Closure Conferences; FPG members invited to attend

FPG Proposals for Improvements to DSCA Metrics

11 recommendations

Main themes:

- Increased visibility and customer involvement
- Quantify the real cost and real value of FMS
- Make FMS more of a commercial alternative

DSCA Response

- Continue the dialogue with particular emphasis on increased visibility to the international customer
- Modify/clarify certain metrics for the Security Cooperation Deputies' Forum
- Annual narrative report
 - Implementation of FMS initiatives
 - Development of business processes of interest to the customer
- Customer survey
- Consider annual "shareholders" conference

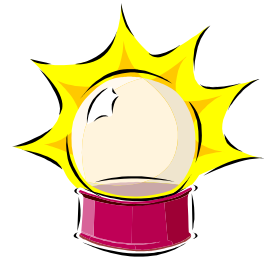
FMS Transformation

Initiative announced at DSCA
Worldwide Security Cooperative
Conference in October 2003

Four senior DSCA associates working
directly with Lt. General Tome Walters

Invitation to stakeholders (including
FPG) to input and participate

Briefings to FPG at November 03 and
January 04 meetings



FPG Response

16 “ Brilliant Ideas”

1. Annual authorizations
2. Intellectual property - outsourcing and third party transfers
3. Full disclosure of the basis for FMS services and costs in FMS case, and better insight into contractor pricing, services and deliverables.
4. Case closure – ensure validity of ULO estimates and allocate sufficient resources

FPG Response (cont'd)

5. Endorse DCSA initiatives to improve the accuracy of payment schedules but allocate more resources and protect status quo until victory achieved
6. Customer survey
7. Desk officers at customer countries
8. DLA should be able to write own cases
9. Qualify and define the value-added of FMS
10. FMS as a commercial alternative
11. Customer participation in LOA preparation

FPG Response (cont'd)

- 12. More opportunities to hear from the customer
- 13. Create a one-stop shop for supply discrepancy reports and a “consistency of process” users’ group
- 14. Commercial accounts – one interest bearing account for all FMS funds in a commercial bank
- 15. Expand the use of the Portal
- 16. FMS cases should call up terms and conditions and notes by reference rather than having to repeat these in total every time



?? Questions ??